

critical materials needs in the case identified in paragraph (1) of this subsection, and which recommends programs that would assist in meeting such needs, including an assessment of economic stockpiles; and

(3) continually thereafter identify and assess additional cases, as necessary, to ensure an adequate and stable supply of materials to meet national security, economic well-being and industrial production needs.

**(d) Secretary of Defense and other Cabinet members; assessment, etc., activities**

The Secretary of Defense, together with such other members of the Cabinet as are deemed necessary by the President, shall prepare a report assessing critical materials needs related to national security and identifying the steps necessary to meet those needs. The report shall include an assessment of the Defense Production Act of 1950 (50 U.S.C. App. 2061 et seq.), and the Strategic and Critical Materials Stock Piling Act (50 U.S.C. App. 98 et seq.) [50 U.S.C. 98 et seq.]. Such report shall be made available to the Congress within 1 year after October 21, 1980, and shall be revised periodically as deemed necessary.

**(e) Secretary of the Interior; initiation of actions; report**

The Secretary of the Interior shall promptly initiate actions to—

(1) improve the capacity of the United States Bureau of Mines to assess international minerals supplies;

(2) increase the level of mining and metallurgical research by the United States Bureau of Mines in critical and strategic minerals; and

(3) improve the availability and analysis of mineral data in Federal land use decision-making.

A report summarizing actions required by this subsection shall be made available to the Congress within 1 year after October 21, 1980.

**(f) Secretary of the Interior; collection, evaluation, and analysis activities concerning information**

In furtherance of the policies of this chapter, the Secretary of the Interior shall collect, evaluate, and analyze information concerning mineral occurrence, production, and use from industry, academia, and Federal and State agencies. Notwithstanding the provisions of section 552 of title 5, data and information provided to the Department by persons or firms engaged in any phase of mineral or mineral-material production or large-scale consumption shall not be disclosed outside of the Department of the Interior in a nonaggregated form so as to disclose data and information supplied by a single person or firm, unless there is no objection to the disclosure of such data and information by the donor: *Provided, however*, That the Secretary may disclose nonaggregated data and information to Federal defense agencies, or to the Congress upon official request for appropriate purposes.

(Pub. L. 96-479, §5, Oct. 21, 1980, 94 Stat. 2307; Pub. L. 102-285, §10(b), May 18, 1992, 106 Stat. 172.)

REFERENCES IN TEXT

The National Science and Technology Policy, Organization, and Priorities Act of 1976, referred to in subsec. (b), is Pub. L. 94-282, May 11, 1976, 90 Stat. 459, as amended, which is classified principally to chapter 79 (§6601 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 6601 of Title 42 and Tables.

The Defense Production Act of 1950, referred to in subsec. (d), is act Sept. 8, 1950, ch. 932, 64 Stat. 798, as amended, which is classified to section 2061 et seq. of Title 50, Appendix, War and National Defense. For complete classification of this Act to the Code, see section 2061 of Title 50, Appendix, and Tables.

The Strategic and Critical Materials Stock Piling Act, referred to in subsec. (d), is act June 7, 1939, ch. 190, as revised generally by Pub. L. 96-41, §2, July 30, 1979, 93 Stat. 319, which is classified generally to subchapter III (§98 et seq.) of chapter 5 of Title 50. For complete classification of this Act to the Code, see section 98 of Title 50 and Tables.

CHANGE OF NAME

“United States Bureau of Mines” substituted for “Bureau of Mines” in subsec. (e)(1), (2) pursuant to section 10(b) of Pub. L. 102-285, set out as a note under section 1 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1603 of this title.

**§ 1605. Applicability to other statutory national mining and minerals policies**

Nothing in this chapter shall be interpreted as changing in any manner or degree the provisions of and requirements of section 21a of this title. For the purposes of achieving the objectives set forth in section 1602 of this title, the Congress declares that the President shall direct (1) the Secretary of the Interior to act immediately within the Department's statutory authority to attain the goals contained in section 21a of this title and (2) the Executive Office of the President to act immediately to promote the goals contained in section 21a of this title among the various departments and agencies.

(Pub. L. 96-479, §6, Oct. 21, 1980, 94 Stat. 2309.)

**CHAPTER 29—OIL AND GAS ROYALTY MANAGEMENT**

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| Sec.<br>1701. | Congressional statement of findings and purposes. |
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**SUBCHAPTER I—FEDERAL ROYALTY MANAGEMENT AND ENFORCEMENT**

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| 1711. | Duties of Secretary. <ul style="list-style-type: none"> <li>(a) Establishment of inspection, collection, and accounting and auditing system.</li> <li>(b) Annual inspection of lease sites; training.</li> <li>(c) Audit and reconciliation of lease accounts; contracts with certified public accountants; availability of books, accounts, records, etc., necessary for audit.</li> </ul> |
| 1712. | Duties of lessees, operators, and motor vehicle transporters. <ul style="list-style-type: none"> <li>(a) Liability for royalty payments.</li> <li>(b) Development of and compliance with site security plan and minimum site security measures by operators; notification to Secretary of well production.</li> </ul>   |

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	(c) Possession of documentation by transporters of oil or gas by motor vehicle or pipeline.	1722.	Injunction and specific enforcement authority. (a) Civil action by Attorney General. (b) Venue.
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1719.	Civil penalties. (a) Failure to comply with applicable law, to permit inspection, or to notify Secretary of assignment; exceptions to application of penalty. (b) Failure to take corrective action. (c) Failure to make royalty payment; failure to permit lawful entry, inspection, or audit; failure to notify Secretary of well production. (d) False information; unauthorized removal, etc., of oil or gas; purchase, sale, etc., of stolen oil or gas. (e) Hearing. (f) Deduction of penalty from sums owed by United States. (g) Compromise or reduction of penalties. (h) Notice. (i) Reasons on record for amount of penalty. (j) Review. (k) Failure to pay penalty. (l) Nonliability for leases automatically terminated.	SUBCHAPTER II—STATES AND INDIAN TRIBES	
		1731.	Application of subchapter.
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		1732.	Cooperative agreements. (a) Authorization of Secretary; permission of Indian tribe required for activities on Indian lands. (b) Access to royalty accounting information. (c) Agreements in accordance with chapter 63 of title 31; terms and conditions.
		1733.	Information. (a) Availability of confidential information by Secretary pursuant to cooperative agreements; conditions. (b) Nonliability of United States for wrongful disclosure. (c) Law governing disclosure.
1720.	Criminal penalties.	1734.	State suits under Federal law. (a) Action for royalty, interest, or civil penalty; limitations; notice of suit; award of costs and fees. (b) Venue; jurisdiction of district court. (c) Recovery of civil penalty by State; deposit of rent, royalty, or interest recovery in Treasury of the United States.
1721.	Royalty terms and conditions, interest, and penalties. (a) Charge on late royalty payment or royalty payment deficiency. (b) Charge on late payment made by Secretary to States. (c) Deposit in royalty accounts of charges on royalties due and owing Indians. (d) Charge on late deposit of royalty fund to an Indian account. (e) Nonliability of States for Secretary's failure to comply with the Emergency Petroleum Allocation Act of 1973 or regulations thereunder. (f) Limitation on interest charged. (g) Omitted. (h) Lessee or designee interest. (i) Limitation on interest. (j) Estimated payment. (k) Volume allocation of oil and gas production. (l) Production allocation.	1735.	Delegation of royalty collections and related activities. (a) Authorization of Secretary. (b) Prerequisites. (c) Ruling as to consistency of State's proposal. (d) Promulgation of standards and regulations with respect to delegation. (e) Revocation; issuance of demand or order by Secretary. (f) Compensation to State for costs of delegation; allocation of costs. (g) Judicial review. (h) Existing delegation.
1721a.	Adjustments and refunds. (a) Adjustments to royalties paid to Secretary or delegated State. (b) Refunds.	1736.	Shared civil penalties.
		SUBCHAPTER III—GENERAL PROVISIONS	
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- (b) Conformity with rulemaking provisions.
- (c) Contracts with non-Federal Government inspectors, auditors, etc.; coordination of auditing and enforcement functions.
- 1752. Reports.
- 1753. Relation to other laws.
  - (a) Supplemental nature of chapter.
  - (b) Responsibilities of Secretary related to minerals on Federal and Indian lands.
  - (c) Authority and responsibilities of Inspector General and Comptroller General unaffected.
  - (d) Lands and land interests entrusted to Tennessee Valley Authority unaffected.
- 1754. Funding.
- 1755. Statute of limitations.
- 1756. Expanded royalty obligations.
- 1757. Severability.

## CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in section 191 of this title; title 10 section 7439.

### § 1701. Congressional statement of findings and purposes

(a) Congress finds that—

(1) the Secretary of the Interior should enforce effectively and uniformly existing regulations under the mineral leasing laws providing for the inspection of production activities on lease sites on Federal and Indian lands;

(2) the system of accounting with respect to royalties and other payments due and owing on oil and gas produced from such lease sites is archaic and inadequate;

(3) it is essential that the Secretary initiate procedures to improve methods of accounting for such royalties and payments and to provide for routine inspection of activities related to the production of oil and gas on such lease sites; and

(4) the Secretary should aggressively carry out his trust responsibility in the administration of Indian oil and gas.

(b) It is the purpose of this chapter—

(1) to clarify, reaffirm, expand, and define the responsibilities and obligations of lessees, operators, and other persons involved in transportation or sale of oil and gas from the Federal and Indian lands and the Outer Continental Shelf;

(2) to clarify, reaffirm, expand and define the authorities and responsibilities of the Secretary of the Interior to implement and maintain a royalty management system for oil and gas leases on Federal lands, Indian lands, and the Outer Continental Shelf;

(3) to require the development of enforcement practices that ensure the prompt and proper collection and disbursement of oil and gas revenues owed to the United States and Indian lessors and those inuring to the benefit of States;

(4) to fulfill the trust responsibility of the United States for the administration of Indian oil and gas resources; and

(5) to effectively utilize the capabilities of the States and Indian tribes in developing and

maintaining an efficient and effective Federal royalty management system.

(Pub. L. 97-451, § 2, Jan. 12, 1983, 96 Stat. 2448.)

## EFFECTIVE DATE OF 1996 AMENDMENT

Pub. L. 104-185, § 11, Aug. 13, 1996, 110 Stat. 1717, provided that: “Except as provided by section 115(h) [30 U.S.C. 1724(h)], section 111(h) [30 U.S.C. 1721(h)], section 111(k)(5) [30 U.S.C. 1721(k)(5)], and section 117 [30 U.S.C. 1726] of the Federal Oil and Gas Royalty Management Act of 1982 (as added by this Act), this Act [see Short Title of 1996 Amendment note below], and the amendments made by this Act, shall apply with respect to the production of oil and gas after the first day of the month following the date of the enactment of this Act [Aug. 13, 1996].”

## EFFECTIVE DATE

Section 305 of Pub. L. 97-451 provided that: “The provisions of this Act [enacting this chapter, amending sections 188 and 191 of this title, and enacting provisions set out as notes under this section and sections 1714 and 1752 of this title] shall apply to oil and gas leases issued before, on, or after the date of the enactment of this Act [Jan. 12, 1983], except that in the case of a lease issued before such date, no provision of this Act or any rule or regulation prescribed under this Act shall alter the express and specific provisions of such a lease.”

## SHORT TITLE OF 1996 AMENDMENT

Pub. L. 104-185, § 1, Aug. 13, 1996, 110 Stat. 1700, provided that: “This Act [enacting sections 1721a and 1724 to 1726 of this title, amending sections 1702, 1712, 1721, and 1735 of this title, repealing section 1339 of Title 43, Public Lands, and enacting provisions set out as notes under this section, section 1732 of this title, and section 1339 of Title 43] may be cited as the ‘Federal Oil and Gas Royalty Simplification and Fairness Act of 1996’.”

## SHORT TITLE

Section 1 of Pub. L. 97-451 provided that: “This Act [enacting this chapter, amending sections 188 and 191 of this title, and enacting provisions set out as notes under this section and sections 1714 and 1752 of this title] may be cited as the ‘Federal Oil and Gas Royalty Management Act of 1982’.”

## APPLICABILITY OF 1996 AMENDMENT

Pub. L. 104-185, § 9, Aug. 13, 1996, 110 Stat. 1717, provided that: “The amendments made by this Act [see Short Title of 1996 Amendment note above] shall not apply with respect to Indian lands, and the provisions of the Federal Oil and Gas Royalty Management Act of 1982 [30 U.S.C. 1701 et seq.] as in effect on the day before the date of enactment of this Act [Aug. 13, 1996] shall continue to apply after such date with respect to Indian lands.”

Pub. L. 104-185, § 10, Aug. 13, 1996, 110 Stat. 1717, provided that: “This Act [see Short Title of 1996 Amendment note above] shall not apply to any privately owned minerals.”

## CONSTRUCTION OF 1996 AMENDMENT

Pub. L. 104-185, § 12, Aug. 13, 1996, 110 Stat. 1717, provided that: “Nothing in this Act [see Short Title of 1996 Amendment note above] shall be construed to give a State a property right or interest in any Federal lease or land.”

### § 1702. Definitions

For the purposes of this chapter, the term—

(1) “Federal land” means all land and interests in land owned by the United States which are subject to the mineral leasing laws, including mineral resources or mineral estates